

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNMO417696
2. Name of Operator OXY USA Inc. ✓ 16696		6. If Indian, Allottee or Tribe Name
3a. Address P.O. Box 50250, Midland, TX 79710-0250	3b. Phone No. (include area code) 432-685-5717	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2490 FWL 500FEL SEWE (H) Sec 4 T22S R31E ✓		8. Well Name and No. Lost Tank 4 #8 ✓ Federal
		9. API Well No. 30-015-37923 ✓
		10. Field and Pool, or Exploratory Area Lost Tank Delaware, West ✓
		11. County or Parish, State Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud, set casing & cement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Spud 14-3/4" hole 12/27/10, drill to 711', RIH & set 11-3/4" 42# H40 STC csg @ 711', cmt w/ 550 sx PPC w/ additives, circ 274sx cmt to surface. WOC, Test BOP's.

Drill 10-5/8" hole to 3985'. RIH w/ 8-5/8 csg 32# J-55 LTC & set @ 3983', cmt w/ 880sx PPC followed by 200sx PPC all w/ additives, CIRC 218SX cmt to surf. WOC, Test BOP's.

Drill 7-7/8" hole to 8120'V. Log well, RIH w/ 5-1/2" 17# J55 LTC csg @ 8116' w/ DVT @ 5901'. POST @ 4027'. Cmt 1st stage w/ 480sx Super H, circ 101sx cmt to surf. Cmt 2nd stage w/ 520sx Super H, cmt did not circ, BLM notified and approved to continue w/ 3rd stage, must run CBL prior to completion. Cmt 3rd stage w/ 380sx HES Light PPC followed by 150sx PPC all w/ additives, circ 100sx cmt to surf. Rel Rig 1/7/11.

RECEIVED
JAN 28 2011

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
David Stewart

Sr. Regulatory Analyst

Date

1/12/11

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

JAN 22 2011
Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

BUREAU OF LAND MANAGEMENT

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Accepted for record - NMNMOCD

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NDS

SPUD WELL. 12/27/10, DRILL 14-3/4" SURFACE HOLE TO 711'.

RIH W/ 11-3/4" 42# H-40 STC SURFACE CASING.

TX PATTERN SHOE 710-711

1XJT CSG 670-710

FLOAT COLLAR 669-670

16XJTS CSG SURF-669

CEMENT W/ 550SX (132 BBL) PREMIUM PLUS AT 14.8PPG 1.35CFPS 6.39GPS W/ WITH 2%CACL2. FULL RETURNS THROUGHOUT JOB, CIRCULATE 66BBL / 274SX CEMENT TO SURFACE - WITNESSED BY BLM REP ROBERT HOSKINSON, FINAL LIFT PRESSURE 200PSI AT 2.5BPM, BUMP PLUG WITH 700PSI - HOLD 5 MIN - FLOAT HELD

WAIT ON CEMENT AS PER BLM REQUIREMENTS. MAINTAIN: BOP ACCUMULATOR, PIPE WRANGLER, HYDRAULIC POWER UNIT, BREAK BIT WITH PIPE WRANGLER, CLEAN CEMENT FROM SHAKER SHAKER SAND TRAP

INSTALL BOP

1 X DSA 13 5/8" 3K x 11" 5M - 1 X SPACER SPOOL 11" 5M x 11" 5M - 1 X GRAY LOCK SPOOL 11" 5M X 11" X 5M - 1 X 11" X 5M DOUBLE RAM BOP - BLIND RAMS ON BOTTOM - 4-1/2" PIPE RAMS ON TOP - 1 X 11" X 5M ANNULAR BOP - 1 X 11" 5M SPACER SPOOL - 1 X ROTATING HEAD

12/29/10 0650HRS - PHONE BLM AND GIVE NOTICE - TEST BOP - ROBERT HOSKINSON

24HRS AFTER BUMP SURFACE CASING CEMENT PLUG - START TESTING BOP - AS PER BLM REQUIREMENTS.

FILL BOP WITH FRESH WATER. REMOVE INTERNAL COMPONENTS FROM KILL LINE

TEST #1-ANNULAR, CHOKE LINE MANUAL VALVE, KILL LINE VALVE #1 - 250PSI/30MIN 1400PSI/30MIN

TEST #2-PIPE RAMS, HCR VALVE, KILL LINE VALVE #2 - 250PSI / 30MIN - 1400PSI / 30MIN

TEST #3-PIPE RAMS, CHOKE MANIFOLD VALVE #1, #2, #3, #4, KILL LINE VALVE #2 250PSI / 30MIN - 1400PSI/30MIN

TEST #4-PIPE RAMS, HYD CHOKE, MANUAL CHOKE, KILL LINE VALVE #2 - 250PSI / 30 MIN - 1400PSI/30 MIN

INSTALL CHECK VALVE INTERNAL COMPONENTS

TEST #5-BLIND RAMS, VALVE #4, VALVE #5, VALVE #6, CHECK VALVE 250PSI / 30MIN - 1400PSI/ 30MIN

TEST #6-TEST TOP DRIVE TIW VALVE - 250PSI/10MIN - 1400PSI/ 10MIN

TEST #6A-TEST TOP DRIVE AND STAND PIPE BACK TO RIG PUMPS - 250PSI/10MIN - 3500PSI/ 10MIN

TEST #7-TEST TOP DRIVE VALVE, STAND PIPE TO PUMPS / 250PSI - 10MIN - 4100PSI/10MIN

INSTALL ROTATING HEAD, TIH W/ BHA, TAG CEMENT @ 680', DRILL OUT SHOE TRACK AND 10' OF FORMATION TO 721', SPOT PILL FOR F.I.T. PERFORM F.I.T. TO 13 PPG EMW, USING 9.7 PPG BRINE WITH 120 PSI SURFACE PRESSURE, GOOD TEST

DRILL 10-5/8" INTERMEDIATE HOLE TO 3985'

RIH W/ 8-5/8" 32# J-55 LTC INTERMEDIATE CASING TO 3985'

1-FLOAT SHOE - 3981.4-3982.7'

2-CASING JOINTS 3896.3-3981.4'

1-FLOAT COLLAR 3894.7'-3896.3'

92-CASING JOINTS SURF-3894.7'

1/1/11-0120HRS - BLM - JERRY BLAKLEY - ON LOCATION FOR CEMENT JOB

CEMENT W/ 20BBL H2O, LEAD SLURRY - 880SX (299.4 BBL) HALLIBURTON LIGHT PREMIUM PLUS 12.9PPG, 1.91 CFPS, 9.63GPS W/ 5% SALT, 5 PPS GILSONITE, 0.125 PPS POLYEFLATE 1% HALAD344 AND 2% CACL2, TAIL SLURRY - 200SX (47.7 BBL) PREMIUM PLUS 14.8PPG, 1.34CFPS, 6.38 GPS W/ 1% WELLIFE 734

DISPLACE WITH 237BBL FRESH WATER, RETURNS - FULL RETURNS THROUGHOUT JOB, FINAL DISPLACEMENT PRESSURE - 1100 PSI AT 8BPM, BUMP PLUG WITH 1600PSI - HOLD 5MIN, BLEED OFF - FLOATS HELD, CIRC 218SX, 73 BBL CEMENT TO SURFACE

FLUSH THRU BOPE, CLOSE ANNULAR AND APPLY 200 PSI TO WELL BORE, PUMPED TOTAL OF 2 BBL, PRESSURE DECREASED TO 80 PSI OVER 20 MINUTES. WOC AS PER BLM.

CUT OFF CASING, REMOVE CUT OFF, REMOVE DSA AND SPACER SPOOL, MAKE FINAL CUT AND DRESS CASING, INSTALL B SECTION AND TEST SEALS TO 1770 PSI, GOOD TEST. NIPPLE UP BOP

TEST BOPE WITH MONAHANS TESTER

TEST #1 TEST ANNULAR, MANUAL CHOKE LINE INNER VALVE, MANUAL KILL LINE INNER VALVE #1

250PSI/3100PSI - 10MIN EACH

TEST#1A TEST PIPE RAMS, MANUAL CHOKE LINE INNER VALVE, MANUAL KILL LINE INNER VALVE #1

250PSI/5000PSI - 10MIN EACH

TEST #2 TEST PIPE RAMS, MANUAL KILL LINE OUTER VALVE #2, HCR 250PSI/5000PSI - 10MIN EACH

TEST #3 PIPE RAMS. TEST CHOKE MANIFOLD VALVE #1, VALVE #2, VALVE #3, VALVE #4, KILL LINE VALVE #2
250PSI/5000PSI - 10MIN EACH
UNSCREW FROM TEST PLUG AND REMOVE DRILL PIPE FROM BOP
TEST #4 PUMPING THROUGH KILL LINE. TEST BLIND RAMS, CHOKE MANIFOLD VALVE #5, VALVE #6, VALVE #7
250PSI/5000PSI - 10MIN EACH
SCREW BACK INTO TEST PLUG WITH DRILL PIPE. INSTALL INTERNAL COMPONENTS IN KILL LINE CHECK VALVE

TEST #5 CLOSE PIPE RAMS. TEST HYDRAULIC CHOKE, MANUAL CHOKE, KILL LINE CHECK VALVE 250PSI/5000PSI -
10MIN EACH
TEST STAND PIPE AND MUD LINE TO PUMPS TO 250/4000 PSI - 10MIN EACH TEST
LAY DOWN TEST PLUG
WASH DOWN TAG CEMENT AT 3888' DRILL OUT SHOE TRACK AND FORMATION TO 3995' CIRC BOTTOMS UP,
VERIFY MUD WT 8.5 IN AND OUT, PERFORM F.I.T. TO 10.4 EMW WITH SURFACE PRESSURE OF 395

DRILL 7 7/8" PRODUCTION HOLE TO 8120'
RIH W/ 5-1/2" 17# J-55 LTC & SET @ 8116'

1-FLOAT SHOE 8114.5-8116'

2-SHOE JOINT 8031-8114.5'

1-FLOAT COLLAR 8029.7-8031'

51-CASING JOINT(S) 5902.7-8029.7'

1-DV TOOL 5899.7-5902.7'

44-CASING JOINT(S) 4038.7-5899.7'

1-POST TOOL 4013.7-4038.7'

95-CASING JOINT(S) SURF-4013.7'

CEMENT 1ST STAGE W/ 20BBL GEL SPACER W/2.5PPB WG-19, 480SX (140.5 BBL) SUPER H CEMENT - 13.2PPG,
1.62CFPS, 7.87GPS W /0.5% HALAD344, 0.4% CFR3, 5PPS GILSONITE, 1PPS SALT, 0.3% HR800, 0.125PPS
POLYEFLAKE, DROP TOP PLUG - DISPLACE WITH 186BBL FRESH WATER, 3BPM/1070PSI LIFT PRESSURE, BUMP
PLUG W/1800PSI 1900 hrs- HOLD 10MIN - BLEED BACK 1BBL, PRESSURE TO 1210PSI OPEN STAGE TOOL - CIRC,
SWITCH TO RIG PUMPS - CIRCULATE W/RIG PUMPS - 336GPM 350PSI, FULL RETURNS WHILE MIX, PUMP AND
DISPLACE CEMENT, FROM STAGE #1 CEMENT JOB - 29BBL CEMENT TO SURFACE - 101SX

CEMENT 2ND STAGE 20 BBL FRESH WATER, 24BBL GEL SPACER W/2.5PPB WG-19, 520SX (177.8 BBL) SUPER H
CEMENT - 13.2PPG, 1.61CFPS, 7.87GPS W /0.5% HALAD 344, 0.4% CFR3, 5PPS GILSONITE, 1PPS SALT, 0.3% HR800
, 0.125PPS POLYEFLAKE, DROP TOP PLUG - DISPLACE WITH 94BBL FRESH WATER, 3BPM/1070PSI LIFT
PRESSURE, BUMP PLUG W/2940PSI 0050hrs- HOLD 10MIN - BLEED BACK 1.5BBL, DROP FREE FALL OPENING
BOMB - WAIT 25MIN, DROP BOOM 0115 WAIT 25 MIN PRESSURE UP TO 2940', TO INFLATE PACKER AND OPEN
UPPER DV TOOL, FULL RETURNS WHILE MIX, PUMP AND DISPLACE CEMENT, FROM STAGE #2 CEMENT JOB - NO
CEMENT TO SURFACE, DID SEE RED DYE.

CONTACT NM BLM : INFORM OF NOT GETTING CEMENT TO SURFACE ON SECOND STAGE, SPOKE WITH DUSTY
WINKLER, SAID TO NOTE IT ON REPORT AND BE SURE PRODUCTION GETS BLM COPY OF CBL BEFORE
PROCEEDING AFTER RUNNING CBL, CONTACTED JONNY BURNETT (OXY PROCUTION FOREMAN) SAID HE
WOULD MAKE NOTE OF IT AND COMPLY

CEMENT 3RD STAGE W/ PUMP 20 BBL FRESH WATER, 24BBL GEL SPACER W/2.5PPB WG-19, 380SX (138.7 BBL)
LIGHT PREMIUM PLUS W/ 3 LBS SK SALT 12.4 PPG 11.64 GAL/SK, FT/SK 22.08, TAIL 150 SX (35.5 BBL) PREM PLUS
WITH 5 LB SK GILSONITE , 0125 LB SK POLY-E-FLAKE AT 14.80 P-PG GAL/SK 5.81 1.33 FT/SK, DROP TOP PLUG -
DISPLACE WITH 94BBL FRESH WATER, 3BPM/1070PSI LIFT PRESSURE, BUMP PLUG W/ 1100 PSI, INCREASED TO
3000 TO CLOSE UPPER DV TOOL HOLD 10 MIN - BLEED BACK 1 BBL, CIP 0525 1-7-2011, FULL RETURNS WHILE
MIX, PUMP AND DISPLACE CEMENT, CIRCULATE 40 BBL = 100 SX CEMENT TO SURFACE

NIPPLE DOWN BOPE, SET SLIPS WITH FULL STRING WT 130K REMOVE ANNULAR FROM SUB, NIPPLE UP TUBING
HEAD AND TEST TO 3400 PSI
RELEASE RIG AT 1400 HOURS 01-7-2011